
Thursday, May 16th 2013



H.R. 1773, the Agricultural Guestworkers Act

John B. Graham, III

President, Graham & Rollins, Inc.



Chairman Goodlatte, Committee members – thank you for inviting me to testify today. My name is Johnny Graham and I am the President of Graham & Rollins. We are a 4th generation family owned and operated company founded in 1942, located in Hampton, Virginia on the waterfront at the mouth of the Chesapeake Bay. We are processors of Blue Crab Meat.

I am also a member of the Coalition to Save America's Seafood Industry, which fights to keep us free to compete in the global marketplace. America's \$31 billion seafood industry supports more than one million U.S. jobs – including almost 184,000 in seafood preparation and packaging, and many others within our supplier and customer networks.

America's seafood processing industry has struggled over the past 20 years as the local labor workforce moved on to less-strenuous, full-time jobs and we were forced to find alternative labor. We currently use the H-2B program, for essential seasonal work and augment our full time American workers. A most recent survey conveyed an average of 2.1 American jobs was created from a single H-2B worker. Most Coalition members have used the H-2B program for over a decade – but it is a constant struggle to make the program work.

Instead of focusing on growing my small business, I spend an inordinate amount of my time on H-2B issues. These include the Labor Department's tedious paperwork requirements that are inconsistent year after year. We have to continually worry about not getting visas because the national cap has been met or – more recently – worrying that new and more complex DOL rules will put me out of business.

In addition to these requirements, most seafood processors are dependent upon a resource that is supplied by mother-nature. We have no control of the availability of the blue crabs. We also have harvest restrictions as to how many, where and when our seafood may be harvested.

Our members are deeply frustrated that DOL does not understand the unique nature of the seafood industry, from foreign competition to Mother Nature, and yet they continue to put regulatory pressures on us.

For example, most seafood processors are in remote coastal communities; our local workforce is tiny, and shrinking. Yet, DOL falsely insists that we simply choose to use the H-2B program rather than higher locally. Year after year we have to prove, at our expense, through advertising and training programs; that are ultimately unsuccessful, that Americans do not want these jobs.

The current rules reflect this misunderstanding, making the H-2B program very difficult. *And so it is vital that Congress take a broad look at the H-2B program and its regulation, by any government agency, as part of this immigration reform effort.*

Chairman Goodlatte, I applaud your creative thinking with the H-2C program and inclusion of seafood in this agricultural workforce bill. First and foremost, I am glad that you have included our seafood industry alongside the Agriculture Industry. These two industries are alike in many fashions. Both are production oriented whereas workers' wages are calculated not just by the amount of hours in the fields or within processing plants but also by individual performance, in the form of piece wages. Were alike in that we are not providing a service; we are providing and manufacturing products from nature's resources.

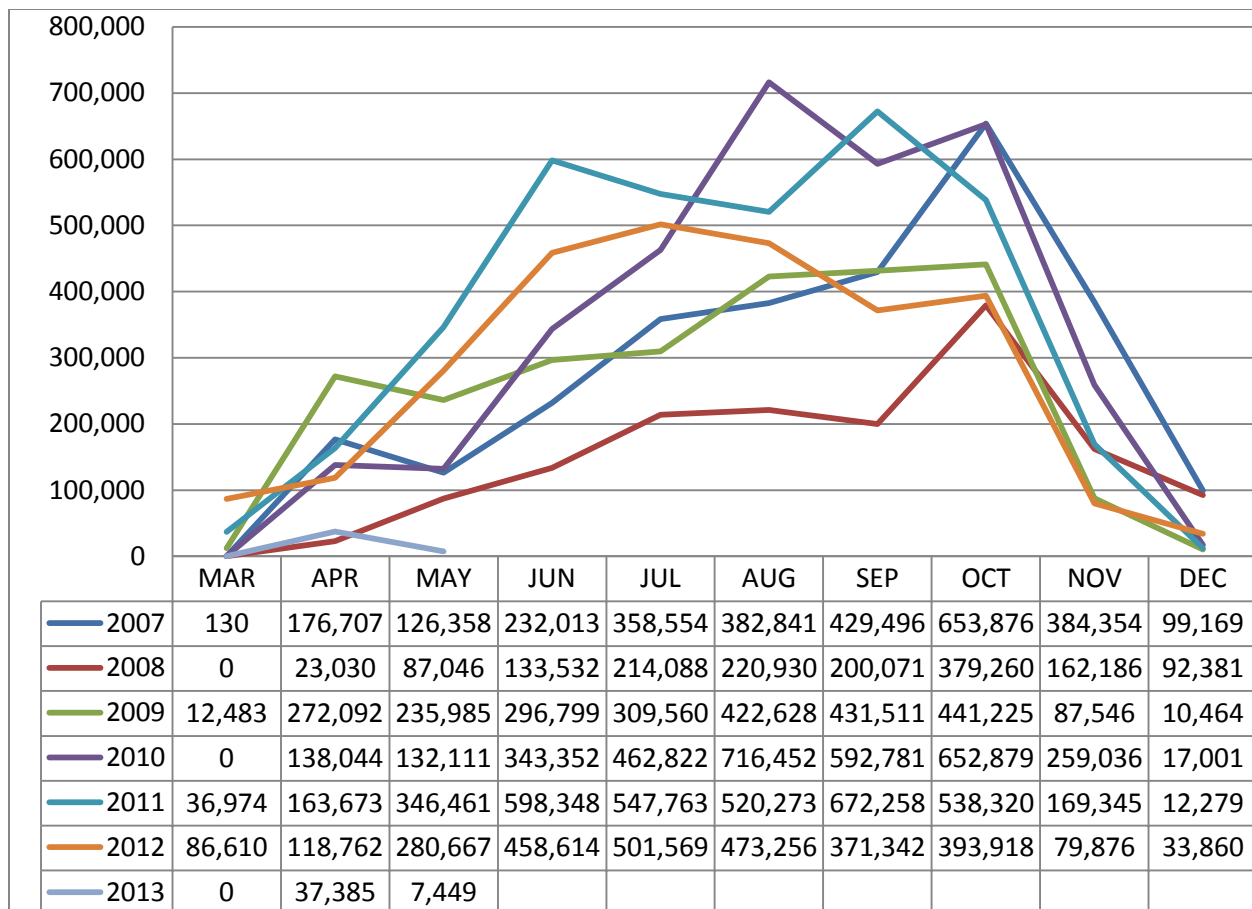
Secondly, because we are at the mercy of Mother Nature our industry is faced with frequent weather events which can abruptly change production schedules. It is for this reason I am supportive of the provision of guaranteed employment for 50% of work hours promised. This is much more flexible than DOL's proposed 75% guarantee presented in 2011.

Lastly, I understand the motive behind establishing a trust fund, thus creating an incentive for the workers to return home. I believe it was very creative and one which I think will prove to be worthwhile and beneficial to the H-2C program.

I understand the House and Senate are considering several sets of guest worker programs. *As you work through the process, I think I can speak for the entire industry in saying we are looking for a program that is dependable and consistent – one that allows us to stay in business and keep Americans working.*

Our need is that simple – and that basic to our survival. Unfortunately, we are at a critical point where a change has to be made now or another American industry and American jobs will be lost.

I thank you for this opportunity and look forward to answering any questions you may have.



Pounds of Crabs Purchased by Graham & Rollins, Inc. from 2007 – 2013

The Chart above (illustrates Graham and Rollins Inc. crab purchases over the past 7 years, and demonstrates the role mother nature plays in the industry. This is one example of the unique nature of the seafood businesses who use the H-2B program. The current program clearly does not meet the needs of a consistent, workable program. We are hopeful the H-2C program will solve some of these issues.